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**PLATEAU
MINING
CORPORATION**

Willow Creek Mine
PO Box 30
847 NW Hwy 191
Helper, Utah 84526
(435) 472-0475
Fax: (435) 472-4782

An affiliate of **RAG**

May 28, 2003

Ms. Pamela Grubaugh-Littig
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

INCOMING
Original - Fireproof
COPY - C/007/004 ✓
C/007/006
C/007/038

RE: Updated Reclamation Agreement and Authorized Representative, Castle Gate Holding Company, Castle Gate Mine, C/007/004, Plateau Mining Corporation, Star Point Mine, C/007/006, and Willow Creek Mine, C/007/038

Dear Ms. Grubaugh-Littig:

Enclosed are signed originals of the aforementioned. If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,



Johnny Pappas
Sr. Environmental Engineer

Enclosures

File: Reclamation Agreements
Chrono: JP030505.ltr

RECEIVED
MAY 30 2003
DIV. OF OIL, GAS & MINING

**RECLAMATION AGREEMENT
(COAL)**

**State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340**

Federal

CONTENTS:

Reclamation Agreement

Exhibit "A"
Bonded Area

Exhibit "B"
Bonding Agreement
Surety Bond

Exhibit "C"
Liability Insurance

Affidavits of Qualification

Power of Attorney

Exhibit "D"
Stipulation to Revise Reclamation Agreement

Permit Number: C/007/006
Date Original Permit Issued: 08/07/87
Effective Date of Agreement: 08/07/87

**RECLAMATION AGREEMENT
STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801
(801) 538-5340**

**COAL RECLAMATION AGREEMENT
--ooOOoo--**

This **RECLAMATION AGREEMENT** (hereafter referred to as "Agreement") is entered into by Plateau Mining Corporation (hereafter referred to as the "Permittee") and the State of Utah, Department of Natural Resources, Division of Oil, Gas and Mining (hereafter referred to as the "Division").

For the purposes of this **AGREEMENT** the information provided below, shall constitute forms of definition or are for information regarding the Permittee or its operations.

"PERMIT": (Mine Permit No.) C/007/006 (County) Carbon

"MINE": (Name of Mine) Star Point Mine

"PERMITTEE": (Company or Name) Plateau Mining Corporation

(Address) P.O. Box 30, 847 NW HWY 191, Helper, Utah 84526

"PERMITTEE'S REGISTERED AGENT":

(Name) C.T. Corporation

(Address) 50 West Broadway, Salt Lake City, Utah 84101

(Phone) (801) 364-5101

"DESIGNATED OFFICAL TO SIGN BODING INSTRUMENTS AND PERMIT":

(Name) See Attachment 1

(Phone) _____

"BOND TYPE": (Form of Bond) Surety

"BOND AMOUNT": (Bond Amount-Dollars) \$10,581,000.00

(Escalated Year-Dollars) 2002

"BOND NUMBER": 210067-096, 103198931-096, KA2990-096

"INSTITUTION": (Bank or Agency) The Insurance Company of the State of
Pennsylvania, Travelers Casualty and Surety
Company, and St. Paul Fire and Marine Insurance
Company, respectively

"POLICY OR ACCOUNT NUMBER": N/A

"LIABILITY INSURANCE": (Exp.) 06/30/02 - 06/30/03

(Insurance Company) Insurance Corporation of Hannover

"STATE": State of Utah

"DIVISION": Division of Oil, Gas and Mining

"DIVISION DIRECTOR": Lowell P. Braxton

EXHIBITS:

"BONDED AREA" Exhibit "A"

"BONDING AGREEMENT" Exhibit "B"

"LIABILITY INSURANCE" Exhibit "C"

"STIPULATION TO CHANGE BOND" Exhibit "D"

WHEREAS, the Permittee is ready and willing to file the Bond in the amount and in a form acceptable to the Division and to perform all obligations imposed by the Division pursuant to applicable laws under the permit; and

NOW, THEREFORE, the Division and the Permittee agree as follows:

1. The provisions of SMCRA, the Act and the Regulations are incorporated by reference herein and hereby made a part of this Agreement. Provisions of the Act or Regulations and Rules shall supersede conflicting provisions of this Agreement.
2. The Permittee agrees to comply with all terms and provisions of this Agreement, the Permit (which is based upon the approved Permit Application Package), the Act and the Regulations, including the reclamation of all areas disturbed by surface coal mining and reclamation operations, despite the eventuality that the costs of actual reclamation exceeds the Bond Amount.
3. The Permit Application Package includes a legal description of the Bonded Area, including the number of acres approved by the Division to be disturbed by surface mining and reclamation operations during the Permit period. For convenience, a copy of the description of the Bonded Area is attached as Exhibit "A", and is incorporated by reference.
4. The Permittee agrees to provide a Bond to the Division in the form and amount acceptable to the Division ensuring the timely performance of the reclamation obligations in the manner and by the standards set forth in this Agreement, the Permit, (which is based upon the Permit Application Package), the Act and the Regulations. The Bond is attached as Exhibit "B" and is incorporated by reference.
5. The Permittee agrees to maintain in full force and effect the Liability Insurance policy submitted as part of the Permit application and which is described in the attached Exhibit "C". The Division shall be listed as an additional insured on this policy.
6. In the event that the Disturbed Area is increased through expansion of the coal mining and reclamation operations or decreased through partial reclamation, the Division shall adjust the Bond as appropriate in accordance with applicable law. In the event of material damage to the surface lands, or contamination, diminution or interruption of a protected water supply, caused by subsidence from underground coal mining, the Permittee shall increase the bond amount in any amount as required by the Division in accordance with R645-301-525.550.
7. The Permittee does hereby agree to indemnify and hold harmless the State of Utah and the Division, and their respective employees and agents, from any claim, demand, liability, cost, charge, or suit initiated by a third party as a result of the Permittee or

Permittee's agents or employees failure to abide by the terms and conditions of the approved Permit (which is based upon the approved Permit Application Package), and this Agreement. In the event the Cooperative Agreement is terminated, this paragraph will inure to the benefit of OSM with respect to Federal Lands, and otherwise to the benefit of the Division.

8. The terms and conditions of this Agreement are non-cancelable until such time as the Permittee has satisfactorily, as determined by the Division, reclaimed the Disturbed Area in accordance with this Agreement, the approved Permit (which is based upon the approved Permit Application Package), the Act, and the Regulations. Notwithstanding the above, the Division may direct, or the Permittee may request and the Division may approve a written modification to this Agreement in accordance with applicable law.
9. The Permittee may, at any time, submit a request to the Division to substitute the bonding method. The Division may approve the substitution if the new Bond form meets the requirements of the Act, and the Regulations, but no Bond shall be released until the Division has approved and accepted the replacement Bond.
10. This Agreement shall be governed and construed in accordance with the laws of the state of Utah. The Permittee shall be liable for all reasonable costs incurred by the Division to enforce this Agreement.
11. Any breach of the provisions of this Agreement, the Act, the Regulations, or the Permit (which is based upon the approved Permit Application Package) may, at the discretion of the Division, result in enforcement actions by the Division which include, but are not limited to, an order to cease coal mining and reclamation operations, revocation of the Permittee's Permit and forfeiture of the Bond.
12. In the event of forfeiture of the Bond, the Permittee agrees to be liable for additional costs in excess of the Bond Amount which may be incurred by the Division in order to comply with the Permit (which is based upon the approved Permit Application Package), the Act, and the Regulations. Any excess monies resulting from the forfeiture of the Bond, upon compliance with this Agreement, shall be refunded as directed by the Permittee or, if a dispute arises, as directed by a court of competent jurisdiction by interpleading the funds subject to the dispute.
13. No delay on the part of the Division in exercising any right, power, or privilege, under the Permit, the Bonding Agreement (Exhibit "B") and/or this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereof preclude other or further exercise of any right, power or privilege. The provisions of this Agreement are severable, and if any provision of this Agreement, or the application of any provision of this Agreement, to any circumstances is held invalid, the application of such provision to other circumstances, and the remainder of this Agreement, shall not be affected thereby.

14. Each signatory below represents that he/she is authorized to execute this Agreement on behalf of the named party. Proof of such authorization is provided on a form acceptable to the Division and is attached thereto.

SO AGREED this 20th day of May, 2003.

PERMITTEE:

PLATEAU MINING CORPORATION

By: 
Thomas J. Lien

Title: President

STATE OF UTAH:

Director,
Division of Oil, Gas and Mining

NOTE: An affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Agreement. If the principal is a corporation, the Agreement shall be executed by its duly authorized officer.

ATTACHMENT 1
OFFICERS AND DIRECTORS
OF
PLATEAU MINING CORPORATION

<u>NAME</u>	<u>TITLE</u>	<u>ADDRESS</u>
T. J. Lien	President	391 Inverness Parkway Suite 333 Englewood, CO 80112-9804
G. A. Walker	Senior Vice President, General Counsel and Secretary	999 Corporate Boulevard Suite 300 Linthicum Heights, MD 21090
L. M. Deal	Vice President, Regional Sales (West)	391 Inverness Parkway Suite 333 Englewood, CO 80112-9804
D. H. Roland	Vice President and Controller	999 Corporate Boulevard Suite 300 Linthicum Heights, MD 21090
F. J. Wood	Vice President	999 Corporate Boulevard Suite 300 Linthicum Heights, MD 21090
G. G. Pearson	Treasurer	999 Corporate Boulevard Suite 300 Linthicum Heights, MD 21090
S. J. Fetherhuff	Assistant Secretary	391 Inverness Parkway Suite 333 Englewood, CO 80112-9804
J. F. Roberts	Director	999 Corporate Boulevard Suite 300 Linthicum Heights, MD 21090
F. J. Wood	Director	999 Corporate Boulevard Suite 300 Linthicum Heights, MD 21090

**RECLAMATION AGREEMENT
(COAL)**

**State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340**

Federal

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Exhibit "C"
Liability Insurance

Affidavits of Qualification

Power of Attorney

Exhibit "D"
Stipulation to Revise Reclamation Agreement

Permit Number: C/007/038
Date Original Permit Issued: 04/24/96
Effective Date of Agreement: 04/24/96

**RECLAMATION AGREEMENT
STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801
(801) 538-5340**

**COAL RECLAMATION AGREEMENT
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For the purposes of this **AGREEMENT** the information provided below, shall constitute forms of definition or are for information regarding the Permittee or its operations.

"PERMIT": (Mine Permit No.) C/007/038 (County) Carbon

"MINE": (Name of Mine) Willow Creek Mine

"PERMITTEE": (Company or Name) Plateau Mining Corporation

(Address) P.O. Box 30, 847 NW HWY 191, Helper, Utah 84526

"PERMITTEE'S REGISTERED AGENT":

(Name) C.T. Corporation

(Address) 50 West Broadway, Salt Lake City, Utah 84101

(Phone) (801) 364-5101

"DESIGNATED OFFICAL TO SIGN BODING INSTRUMENTS AND PERMIT":

(Name) See Attachment 1

(Phone) _____

"BOND TYPE": (Form of Bond) Surety

"BOND AMOUNT": (Bond Amount-Dollars) \$7,866,000.00

(Escalated Year-Dollars) 2006

"BOND NUMBER": 210067-059, 103198931-059, KA2990-059

The Insurance Company of the State of
Pennsylvania, Travelers Casualty and Surety
Company, and St. Paul Fire and Marine Insurance
Company, respectively

"INSTITUTION": (Bank or Agency) Company, respectively

"POLICY OR ACCOUNT NUMBER": N/A

"LIABILITY INSURANCE": (Exp.) 06/30/02 - 06/30/03

(Insurance Company) Insurance Corporation of Hannover

"STATE": State of Utah

"DIVISION": Division of Oil, Gas and Mining

"DIVISION DIRECTOR": Lowell P. Braxton

EXHIBITS:

"BONDED AREA" Exhibit "A"

"BONDING AGREEMENT" Exhibit "B"

"LIABILITY INSURANCE" Exhibit "C"

"STIPULATION TO CHANGE BOND" Exhibit "D"

WHEREAS, the Permittee is ready and willing to file the Bond in the amount and in a form acceptable to the Division and to perform all obligations imposed by the Division pursuant to applicable laws under the permit; and

NOW, THEREFORE, the Division and the Permittee agree as follows:

1. The provisions of SMCRA, the Act and the Regulations are incorporated by reference herein and hereby made a part of this Agreement. Provisions of the Act or Regulations and Rules shall supersede conflicting provisions of this Agreement.
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7. The Permittee does hereby agree to indemnify and hold harmless the State of Utah and the Division, and their respective employees and agents, from any claim, demand, liability, cost, charge, or suit initiated by a third party as a result of the Permittee or

Permittee's agents or employees failure to abide by the terms and conditions of the approved Permit (which is based upon the approved Permit Application Package), and this Agreement. In the event the Cooperative Agreement is terminated, this paragraph will inure to the benefit of OSM with respect to Federal Lands, and otherwise to the benefit of the Division.

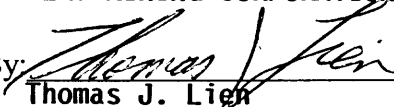
8. The terms and conditions of this Agreement are non-cancelable until such time as the Permittee has satisfactorily, as determined by the Division, reclaimed the Disturbed Area in accordance with this Agreement, the approved Permit (which is based upon the approved Permit Application Package), the Act, and the Regulations. Notwithstanding the above, the Division may direct, or the Permittee may request and the Division may approve a written modification to this Agreement in accordance with applicable law.
9. The Permittee may, at any time, submit a request to the Division to substitute the bonding method. The Division may approve the substitution if the new Bond form meets the requirements of the Act, and the Regulations, but no Bond shall be released until the Division has approved and accepted the replacement Bond.
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14. Each signatory below represents that he/she is authorized to execute this Agreement on behalf of the named party. Proof of such authorization is provided on a form acceptable to the Division and is attached thereto.

SO AGREED this 20th day of May, 20 03.

PERMITTEE:

PLATEAU MINING CORPORATION

By: 
Thomas J. Lien
Title: President

cb

STATE OF UTAH:

Director,
Division of Oil, Gas and Mining

NOTE: An affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Agreement. If the principal is a corporation, the Agreement shall be executed by its duly authorized officer.

ATTACHMENT 1

OFFICERS AND DIRECTORS
OF
PLATEAU MINING CORPORATION

<u>NAME</u>	<u>TITLE</u>	<u>ADDRESS</u>
T. J. Lien	President	391 Inverness Parkway Suite 333 Englewood, CO 80112-9804
G. A. Walker	Senior Vice President, General Counsel and Secretary	999 Corporate Boulevard Suite 300 Linthicum Heights, MD 21090
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F. J. Wood	Vice President	999 Corporate Boulevard Suite 300 Linthicum Heights, MD 21090
G. G. Pearson	Treasurer	999 Corporate Boulevard Suite 300 Linthicum Heights, MD 21090
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**RECLAMATION AGREEMENT
(COAL)**

**State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
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Power of Attorney

Exhibit "D"
Stipulation to Revise Reclamation Agreement

Permit Number: C/007/004
Date Original Permit Issued: 12/24/84
Effective Date of Agreement: 12/24/84

**RECLAMATION AGREEMENT
STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210
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(801) 538-5340**

**COAL RECLAMATION AGREEMENT
--ooOOoo--**

This **RECLAMATION AGREEMENT** (hereafter referred to as "Agreement") is entered into by Castle Gate Holding Company (hereafter referred to as the "Permittee") and the State of Utah, Department of Natural Resources, Division of Oil, Gas and Mining (hereafter referred to as the "Division").

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"PERMIT": (Mine Permit No.) C/007/004 (County) Carbon

"MINE": (Name of Mine) Castle Gate Mine

"PERMITTEE": (Company or Name) Castle Gate Holding Company
c/o Plateau Mining Corporation, P.O. Box 30, 847 NW HWY 191, Helper,
(Address) Utah 84526

"PERMITTEE'S REGISTERED AGENT":

(Name) C.T. Corporation

(Address) 50 West Broadway, Salt Lake City, Utah 84101

(Phone) (801) 364-5101

"DESIGNATED OFFICAL TO SIGN BODING INSTRUMENTS AND PERMIT":

(Name) See Attachment 1

(Phone) _____

"BOND TYPE": (Form of Bond) Surety

"BOND AMOUNT": (Bond Amount-Dollars) \$1,071,000.00

(Escalated Year-Dollars) Part in 2004 and Part in 2010

"BOND NUMBER": 210067-148, 103198931-148, KA2990-148

The Insurance Company of the State of
Pennsylvania, Travelers Casualty and Surety
Company, and St. Paul Fire and Marine Insurance
"INSTITUTION": (Bank or Agency) Company, respectively

"POLICY OR ACCOUNT NUMBER": N/A

"LIABILITY INSURANCE": (Exp.) 06/30/02 - 06/30/03

(Insurance Company) Insurance Corporation of Hannover

"STATE": State of Utah

"DIVISION": Division of Oil, Gas and Mining

"DIVISION DIRECTOR": Lowell P. Braxton

EXHIBITS:

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Permittee's agents or employees failure to abide by the terms and conditions of the approved Permit (which is based upon the approved Permit Application Package), and this Agreement. In the event the Cooperative Agreement is terminated, this paragraph will inure to the benefit of OSM with respect to Federal Lands, and otherwise to the benefit of the Division.

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14. Each signatory below represents that he/she is authorized to execute this Agreement on behalf of the named party. Proof of such authorization is provided on a form acceptable to the Division and is attached thereto.

SO AGREED this 20th day of May, 2003.

PERMITTEE:

CASTLE GATE HOLDING COMPANY

By: Thomas J. Lien
Thomas J. Lien

Title: President

STATE OF UTAH:

Director,
Division of Oil, Gas and Mining

NOTE: An affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Agreement. If the principal is a corporation, the Agreement shall be executed by its duly authorized officer.

ATTACHMENT 1
OFFICERS AND DIRECTORS
OF
CASTLE GATE HOLDING COMPANY

<u>NAME</u>	<u>TITLE</u>	<u>ADDRESS</u>
T. J. Lien	President	391 Inverness Parkway Suite 333 Englewood, CO 80112-9804
G. A. Walker	Senior Vice President, General Counsel and Secretary	999 Corporate Boulevard Suite 300 Linthicum Heights, MD 21090
D. H. Roland	Vice President and Controller	999 Corporate Boulevard Suite 300 Linthicum Heights, MD 21090
F. J. Wood	Vice President	999 Corporate Boulevard Suite 300 Linthicum Heights, MD 21090
G. G. Pearson	Treasurer	999 Corporate Boulevard Suite 300 Linthicum Heights, MD 21090
C. C. Bromley	Assistant Secretary	391 Inverness Parkway Suite 333 Englewood, CO 80112-9804
S. J. Fetherhuff	Assistant Secretary	391 Inverness Parkway Suite 333 Englewood, CO 80112-9804
W. M. Hartzler	Assistant Secretary	391 Inverness Parkway Suite 333 Englewood, CO 80112-9804
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